

**EXHIBIT K**



**U.S. Department of Justice**

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December 16, 2005

**BY FACSIMILE**

Mr. Francis A. Ogundare  
President, Board of Directors  
Southern Delaware Center for Children and Families, Inc.  
Fax # (302) 629-6704

Ms. Carolyn Williams  
Director  
Southern Delaware Center for Children and Families, Inc.  
Fax # (302) 628-3001

Re: United States Department of Health and Human Services. v. Southern Delaware Center for Children and Families, Inc. ("Southern Delaware") et al., No. 05-809 (D. Del.)

Dear Mr. Ogundare and Ms. Williams:

I write regarding the above-referenced action. On Tuesday, December 13, 2005, the Court again directed the parties to talk and attempt to resolve our remaining differences. I am writing this letter to ask you to please call me. I have left messages for each of you the past two days but you have not returned my calls.

Below is a summary of what the United States contends the Defendants need to do to comply with the Court's December 7, 2005 Order.

- **Final Inventory and Vehicle Titles and Keys:** As you know, the Court ordered the Defendants to, among other things: (1) "Immediately provide DHHS with a final inventory that lists all equipment Southern Delaware acquired with Head Start funds or that it is otherwise federally owned;" and (2) "Immediately turn over to CDI or DHHS all vehicle keys and titles possessed by Southern Delaware that were purchased with Head Start funds . . . ."

On December 7, 2005, Defendants faxed to DHHS a document that, with one exception, listed items that were counted in March, 2004. (Exhibit A.) Accordingly, that document did not appear to be a final inventory. Moreover, that document did not list any vehicles that Southern Delaware purchased with Head Start funds. See 45

C.F.R. § 74.34(h)(2) ("The HHS awarding agency may require submission of a final inventory that lists all equipment acquired with HHS funds and federally-owned equipment.").

On Tuesday, December 13, 2005, Thelma Sims from CDI picked up a document at Mr. Ogundare's employment that stated that Southern Delaware had turned over seven "vehicles/keys" to CDI and listed those vehicles. (See Letter attached as Exhibit B.) I spoke to Mr. Ogundare on Wednesday, December 14, 2005, and asked him: (1) was that document supposed to be the final inventory requested by the government; (2) are there any other vehicles possessed by Southern Delaware that were acquired with Head Start funds; and (3) when could the government expect Southern Delaware to turn over titles to the seven listed vehicles, and keys and titles to any other Head Start vehicles. Mr. Ogundare told me he did not know the answer to my questions and that I would have to ask Ms. Williams.<sup>1</sup> I left two messages with Ms. Williams on Wednesday, December 14, and two messages with her on Thursday, December 15. Those messages were not returned.

Accordingly, I ask that you please call me as soon as possible so we can attempt to resolve the above-described issues. I understand that Southern Delaware submitted an inventory to DHHS in approximately October, 2004, that listed a number of vehicles in its possession that were not included in Mr. Ogundare's December 12, 2005, letter, and for which CDI does not have keys or titles. (See Exhibit C.) I would like to know: (1) whether these vehicles were purchased with Head Start funds; (2) whether Southern Delaware still has possession of these vehicles; and (3) if so, when CDI can expect Southern Delaware to turn over keys and titles for these vehicles. If you can point me to records held by Southern Delaware that might help answer these questions, I will be happy to review those records.

Laverty Lane Center: As you know, the Court ordered the Defendants to, among other things: "Immediately grant . . . [CDI] and DHHS such access to the Laverty Lane Child Care Center at 2 Laverty Lane, Bridgeville, Delaware 19933 . . . as is possessed by the Defendants and turn over to CDI or DHHS any leases associated with those facilities."

On Wednesday, December 14, 2005, I spoke to Mr. Ogundare and asked him if he would call Doug Croft with the Delaware State Housing Authority ("DSHA") (which owns the Laverty Lane Center) and inform Mr. Croft that Southern Delaware does not object to CDI taking possession of that center. Mr. Ogundare told me he would call Mr. Croft; however, I was informed in the afternoon of December 15, 2005, that no

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<sup>1</sup>Mr. Ogundare told me he believed that Ms. Williams had applied to the State of Delaware for duplicate copies of some titles, but did not know which titles or when they would be available.

such call was received by DSHA.

Subsequently, I learned from counsel for DSHA that DSHA would like Southern Delaware to agree in writing that CDI can take possession of the Lavery Lane Center. I understand that on November 28, 2005, Mr. Ogundare signed a document purporting to give CDI permission to occupy the Lavery Lane Center (Exhibit D), but that the day after this document was signed, someone from Southern Delaware called Rebecca Kauffman, Senior Social Services Administrator with DSHA, and said the document was signed under duress and, in effect, Southern Delaware was rescinding permission for use of the Lavery lane Center by CDI.

I ask that you call me as soon as possible so we can attempt to resolve the above-described issues. In particular I would like you to sign a document similar to Exhibit D giving CDI permission to occupy the Lavery Lane Center.

- Seaford Center: As you know, the Court did not order the Defendants to turn over possession of the Seaford Head Start Center, 525 N. Front Street, Seaford, Delaware 19973. However, the Court did order the Defendants to, among other things, turn over "all equipment and supplies that Southern Delaware possesses that were purchased with Head Start funds," as well as all Head Start records, including equipment, supplies and records located in the Seaford Center.

To date, we have not been given access to the Seaford Center to retrieve Head Start equipment, supplies and records. David Lett learned during a December 14, 2005 conference call with Dolores Slatcher, City Manager of the City of Seaford (which owns the Seaford Center), that Southern Delaware has not returned the keys to the Seaford Center. Accordingly, I ask that you call me so we can arrange a time when CDI can access the Seaford Center and retrieve Head Start equipment, supplies and records.

I look forward to speaking with you so we can resolve these issues. If I do not hear from you by the close of business on **Monday, December 19, 2005**, I will assume that you are refusing to speak with me and I will be forced to ask the Court to intervene. I can be reached at (302) 573-6277, ext. 149.

Yours truly,

COLM F. CONNOLLY  
United States Attorney

By: /s/ Seth M. Beausang  
Seth M. Beausang (I.D. No. 4071)  
Assistant United States Attorney